

CITY OF LODIRESOLUTION NO. 96-102

RESOLUTION APPROVING, AUTHORIZING AND DIRECTING PREPARATION AND EXECUTION OF CERTAIN LEASE FINANCING DOCUMENTS, APPROVING, AUTHORIZING AND DIRECTING PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF CERTIFICATES OF PARTICIPATION RELATING THERETO, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

RESOLVED, by the City Council (the "Council") of the City of Lodi (the "City"), as follows:

WHEREAS, the City, working together with the Lodi Public Improvement Corporation (the "Corporation"), is proposing to proceed with a lease financing;

WHEREAS, in connection therewith, the City proposes to finance the acquisition and construction of certain public improvements within the geographic boundaries of the City (the "Improvements"), and it is in the public interest and for the public benefit that the City authorize and direct execution of the Lease Agreement and certain other financing documents in connection therewith;

WHEREAS, Seidler-Fitzgerald Public Finance (A Division of The Seidler Companies Inc.) (the "Underwriter") has been directed to prepare a preliminary official statement containing information material to the offering and sale of the Certificates described below (the "Preliminary Official Statement"); and

WHEREAS, the documents below specified shall be filed with the City and the members of the Council, with the aid of its staff, shall review said documents;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Certificates of Participation (1996 Public Improvement Financing Project) (the "Certificates") are hereby authorized to be executed and delivered pursuant to the provisions of the Trust Agreement, as hereinafter defined.

Section 2. The below-enumerated documents be and are hereby approved, and the Mayor, the City Manager or the Finance Director is hereby authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such official, and the City Clerk is hereby authorized and directed to attest to such official's signature:

(a) a site and facility lease, by and between the City, as lessor, and the Corporation, as lessee;

(b) a lease agreement, by and between the Corporation, as lessor, and the City, as lessee (the "Lease Agreement"), so long as the principal amount of the Lease Agreement does not

exceed \$10,500,000, so long as the term of the Lease Agreement does not exceed twenty-five (25) years, and so long as the maximum annual lease payments payable by the City under the Lease Agreement (the "Lease Payments") does not exceed \$950,000;

(c) a trust agreement, by and among the Corporation, the City and First Trust of California, National Association, as trustee (the "Trust Agreement"), relating to the financing, and the execution and delivery of the Certificates, representing direct, undivided fractional interests in the Lease Payments; and

(d) a purchase contract, by and among the Underwriter, the City and the Corporation relating to the purchase by the Underwriter of the Certificates, so long as the Underwriter's discount does not exceed 2%, exclusive of any original issue discount which does not represent compensation to the Underwriter.

Section 3. The Council hereby approves the Preliminary Official Statement describing the financing, in substantially the form on file with the City Clerk, together with any changes therein or additions thereto deemed advisable by the Mayor, the City Manager or the Finance Director. The Council authorizes and directs the Mayor, the City Manager or the Finance Director, on behalf of the City, to deem "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") the Preliminary Official Statement prior to its distribution by the Underwriter.

Section 4. The Mayor, the City Manager or the Finance Director is authorized and directed to cause the Preliminary Official Statement to be brought into the form of a final official statement (the "Final Official Statement") and to execute said Final Official Statement, dated as of the date of the sale of the Certificates, and a statement that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the Certificates, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the Certificates, and does not, as of the date of delivery of the Certificates, contain any untrue statement of a material fact with respect to the City or omit to state material facts with respect to the City required to be stated where necessary to make any statement made therein not misleading in light of the circumstances under which it was made. The Mayor, the City Manager or the Finance Director shall take such further actions prior to the signing of the Final Official Statement as are deemed necessary or appropriate to verify the accuracy thereof. The execution of the Final Official Statement, which shall include such changes and additions thereto deemed advisable by the Mayor, the City Manager or the Finance Director and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Final Official Statement by the City.

Section 5. The Final Official Statement, when prepared, is approved for distribution in connection with the offering and sale of the Certificates.

Section 6. The Mayor, the City Manager, the Finance Director, the City Clerk and all other appropriate officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates as may be necessary to effect the purposes of this resolution and the financing herein authorized.

Section 7. This Resolution shall take effect upon its adoption by this Council.

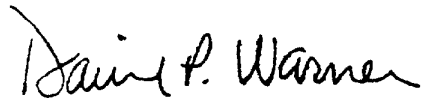
I, the undersigned City Clerk of the City of Lodi, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the City Council of the City at a meeting thereof on the 17th day of July, 1996, by the following vote of the members thereof:

AYES: Council Members - Davenport, Mann, Pennino, Sieglock and Warner (Mayor)

NOES: Council Members - None

ABSTAIN: Council Members - None

ABSENT: Council Members - None



Mayor

ATTEST:



City Clerk